

County of Los Angeles CHIEF EXECUTIVE OFFICE

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April 7, 2009

To:

Supervisor Don Knabe, Chairman

Supervisor Gloria Molina

Supervisor Mark Ridley-Thomas Supervisor Zev Yaroslavsky

Supervisor Michael D. Antonovich

From:

William T Fujioka

Chief Executive Officer

WHEM

SACRAMENTO UPDATE

The Legislature is on Spring Recess and it is scheduled to reconvene in Sacramento on Monday, April 13, 2009.

This memorandum contains: 1) an update on the potential State Budget shortfall; 2) an announcement by the State Controller regarding the State's cash flow position through the end of FY 2008-09; 3) the pursuit of County positions on bills relating to DNA testing of biological evidence and out-of-state placement of special needs students; 4) the status of County-sponsored legislation on termination of parental rights, and of County-advocacy legislation relating to the Los Angeles Memorial Coliseum and Sports Arena; 5) status of County advocacy on an Assembly Joint Resolution; and 6); a roster containing the status of all County advocacy bills.

State Budget

Since the adoption of the State Budget plan on February 20, 2009, which contained \$42.0 billion in solutions to balance the State Budget through FY 2009-10, the economic outlook has continued to deteriorate and State revenues continue to fall short of projections. Last month, the Legislative Analyst's Office (LAO) reported that since the enactment of the State Budget plan, the revenue shortfall through June 30, 2010 is estimated to be \$8 billion, absent any corrective action by the Governor and the Legislature.

"To Enrich Lives Through Effective And Caring Service"

In addition to the LAO's projected \$8.0 billion shortfall, the State Budget plan relies on the passage of three ballot measures, included in the May 19, 2009 Special Election, which could provide the State nearly \$5.83 billion in FY 2009-10 from the securitization of future lottery proceeds (\$5.0 billion), and the redirection of dedicated Proposition 63 Mental Health Services Act funds (\$230 million) and Proposition 10/First 5 child development funds (\$608 million). If these ballot measures are not approved by the voters, the State would be facing a potential \$13.83 billion shortfall before the start of FY 2009-10.

State Controller Announcement

On March 31, 2009, the State Controller announced that, based on the most recent cash flow projections, the State has sufficient funds through June 30, 2009 to finish out the fiscal year without the need for additional borrowing. In a letter to the State Treasurer, the State Controller noted that the ability to secure \$500 million from Golden 1 Credit Union, the passage of Medi-Cal legislation providing \$1.57 billion in Federal Stimulus funds, and higher than projected funds available for internal borrowing will allow the State to meet all of its obligations.

The State Controller also announced that more than \$3.0 billion in delayed payment checks have been issued, including \$2.2 billion in tax refunds. As reported in our March 18, 2009 Sacramento Update, the State Controller has fully repaid the County for all the delayed payments resulting from the State Budget crisis.

Pursuit of County Position on Legislation

On March 31, 2009, the Board approved a motion by Supervisor Yaroslavsky to direct the Chief Executive Officer to express the Board's position of support for **AB 383 (Lieu)**. As introduced on February 23, 2009, AB 383 would extend the statute of limitations for the testing of biological evidence in sex crime cases from two years to five years, from the date of the offense. Existing law provides that a criminal complaint may be filed within one year of the date that the identity of the suspect is conclusively established by DNA testing if the crime is one that would require a convicted person to register as a sex offender, and the testing is performed within two years from the date of the offense.

Item 56 on the Board Agenda of March 31, 2009 was a report by the Sheriff's Department, which indicated that the department has sent out 130 sexual assault kits from backlogged cases for DNA testing and it anticipates sending out a total of 580 sexual assault kits by May of 2009 to contract laboratories. The Department plans to have 4,000 backlogged cases sent for DNA testing within 18 months. Testing of these backlogged cases is performed by the Department of Justice (DOJ) Bureau of Forensic Services or grantees under a National Institute of Justice Program. However,

according to a recent Assembly Public Safety Committee analysis, the DOJ reports that there is an approximate two-year backlog of samples in its possession that remains untested. The DOJ laboratory currently lacks the capability to analyze all of the samples being submitted by law enforcement agencies on a timely basis.

According to the bill's author, the use of DNA in the analysis of sex crimes provides the most conclusive proof of identity giving law enforcement the ability to solve crimes, convict the guilty, and exonerate the wrongly accused. AB 383 would help to reduce the substantial backlog of unanalyzed DNA samples and biological evidence that is currently posing a tremendous risk to California's criminal justice system. Sheriff's Department staff note that extension of the statute of limitations from two years to five years would provide law enforcement agencies with additional time to identify and prosecute sexual assailants based on the results of DNA testing.

Consistent with the Board's March 31, 2009 direction to support AB 383, and existing Board policy to support expansion of the use of DNA collection and analysis to be used in criminal investigations and prosecutions, the Sacramento advocates will pursue passage of AB 383.

AB 383 is co-sponsored by the Sheriff's Department and the District Attorney's Office and supported by the California State Sheriffs' Association; California District Attorneys Association; San Bernardino County Sheriff's Department; California Commission on the Status of Women; and the American Federation of State, County, and Municipal Employees. It is opposed by the California Public Defenders Association. AB 383 passed the Assembly Public Safety Committee by a vote of 7 to 0 on March 31, 2009, and was referred to the Assembly Appropriations Committee.

AB 421 (Beall), as introduced on February 23, 2009, would make California law consistent with Federal law to allow counties to place children served by the AB 3632 Program in out-of-state group homes that are operated as for profit entities and receive payment for these placements. In 1984, the Legislature enacted AB 3632, which assigned responsibility to State agencies and counties to provide mental health services to special education students and meet the goals of an individualized education plan for those students. However, it is the position of the State Controller's Office that payment for placements in out-of-state for profit facilities is prohibited. The State Controller's Office audits of the AB 3632 Program in Los Angeles County have resulted in payment disallowances for these placement services for the Department of Mental Health. Recent audits of Orange and San Diego County Departments of Mental Health disallowed such payments received for services provided through the AB 3632 Program. These counties now owe millions of dollars to the State in repayments for several years of placement services.

The Department of Mental Health indicates that the County places 156 children in out-of-state for profit group homes every year in compliance with Federal law. The cost for this service is approximately \$10 million annually. Due to the children's intensive special needs, there are no placements available in California, resulting in the use of out-of-state placements. The Department of Mental Health indicates that audit disallowances for out-of-state placement payments for the current and prior years would be disastrous for the AB 3632 Program in Los Angeles County. Resources for care and treatment of children currently placed out-of-state would be seriously undermined. AB 421 is almost identical to SB 292 (Wiggins) of 2008, which the County supported based on policy on May 2, 2008. SB 292 died in the Assembly Appropriations Committee.

The Department of Mental Health and this office support AB 421. Support of AB 421 is consistent with existing policy to support full and timely funding of Federally-mandated mental health services for special education students under the AB 3632 Program, and prior County support for SB 292. Therefore, **the Sacramento advocates will support AB 421.**

AB 421 is sponsored by the California Mental Health Directors Association. Although there is not yet any registered support or opposition, SB 292 was supported in the 2008-09 Legislative Session by the California Psychological Association, California State Association of Counties, County Welfare Directors Association of California, National Alliance on Mental Illness Los Angeles County Coordinating Council, and Orange, San Diego, Santa Clara, and Yolo counties. SB 292 was opposed by the National Center for Youth Law, and Protection and Advocacy Incorporated. AB 421 is scheduled for hearing on April 14, 2009 in the Assembly Human Services Committee.

Status of County-Sponsored Legislation

County-sponsored SB 179 (Runner), which would streamline the Termination of Parental Rights appeals process and promote adoptions, passed the Senate Judiciary Committee with amendments by a vote of 5 to 0 on March 31, 2009. It was previously reported that the bill moved to the Assembly Floor. However, SB 179 now moves to the Senate Floor where it is expected to be placed on the Senate Consent Calendar.

Status of County-Advocacy Legislation

County-opposed SB 29 (Denham), which would: 1) require the California Science Center to sell the parcel of land that the Los Angeles Memorial Coliseum and the Los Angeles Memorial Sports Arena (Sports Arena) occupy, and the State's share of the Sports Arena structure; 2) rescind the agreement that established the Los Angeles Memorial Coliseum Commission; and 3) upon the completion of the sale, terminate the

Joint Powers Authority among the County, City of Los Angeles, and the California Science Center. This bill is scheduled for hearing in the Senate Governmental Organization Committee on April 28, 2009.

Status of County-Advocacy on an Assembly Joint Resolution

County-supported AJR 9 (Pérez), which would urge the Congress and the President of the United States to enact legislation to provide for a three-year extension of the Ryan White HIV/AIDS Treatment Modernization Act of 2006 from its current sunset date of September 30, 2009 to September 30, 2012, passed the Assembly Health Committee on March 31, 2009, by a vote of 19 to 0, and now proceeds to the Assembly Floor.

Master Bill List

A roster containing the status of all bills with a County advocacy position is attached.

We will continue to keep you advised.

WTF:GK MAL:MR:IGA:sb

Attachment

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants

COUNTY OF LOS ANGELES - CHIEF EXECUTIVE OFFICE STATUS OF BILLS OF INTEREST TO THE COUNTY 2009-10 LEGISLATIVE SESSION

Attachment

These are bills we are pursuing in Sacramento pursuant to Board actions or as reported in bill policy memoranda

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E S	<u>AUTHOR</u>	POSITION	SUBJECT
AB 23	Jones	No Position	NOW: Was amended on March 19, 2009 to delete the Medi-Cal provisions.
			The bill now proposes to require health plans, employers and insurers to

STATUS

Assembly Floor

The bill now proposes to require health plans, employers and insurers to notify beneficiaries that H.R. 1 enhanced the Consolidated Omnibus Budget Reconciliation Act (COBRA) to provide Federal funds to pay 65 percent of the COBRA premium for eligible persons enrolled in a group health insurance plan who lose their job between September 1, 2008 and December 31, 2009. Under current law, COBRA-eligible employees must pay the full amount of the premium to retain enrollment in a health care plan offered by a former employer.

Support (State Update: 3/6/09)

PREVIOUSLY: Would have repealed current State law, which requires semi-annual reporting to maintain Medi-Cal eligibility for children and reinstitute 12-month continuous Medi-Cal eligibility for children under 19 years of age. This change is necessary to ensure that the State qualifies to receive the temporary increase in the Federal Medical Assistance Percentage (FMAP) pursuant to the recently enacted H.R. 1, the American Recovery and Reinvestment Act. AB 23, SBX3 26, and SB 337 have been introduced as potential vehicles to repeal the semi-annual reporting requirement in order for the State to be eligible to receive additional FMAP funding.

Would prohibit a store from providing a single use carryout bag, including a green carryout bag, to a customer unless the store charges a fee not less than \$.25 at the point of sale and exempts certain customers from paying the fee. Would also establish the Bag Pollution Fund in the State Treasury and requires the manufacturer of a single use carryout bag to develop educational materials to encourage reducing, reusing and recycling of single use bags.

AB 87

Davis

County-sponsored

Assembly Natural Resources

BILL	<u>AUTHOR</u>	POSITION	SUBJECT	<u>STATUS</u>
AB 128	Coto	Opposed (State Update: 2/20/09)	Would extend the period after termination of employment that a retired public safety officer could file a workers' compensation claim for cancer and be entitled to a legal presumption that the cancer is job related. The presumption, which is currently three months for each year of service, would be extended to one year for each year of service. Existing law caps the presumption period at five years; AB 128 would remove this cap.	Assembly Insurance
AB 139	Brownley	County-sponsored	Would authorize the Los Angeles County Flood Control District to implement storm water fees, upon voter approval consistent with the requirements of Proposition 218 of 2006, to fund clean water programs.	Assembly Local Government
AB 215	Feuer, Smyth	Support (Board Action: 2/17/09)	Would require a long-term health care facility to post the overall facility rating information determined by the Federal Centers for Medicare and Medicaid Services, including the number of stars assigned to the facility out of a possible five stars. The overall Five Star Quality Rating is comprised of scores for health inspections, staffing, and how well the facility is caring for the physical and clinical needs of residents. The information would be required to be posted in an area accessible and visible to members of the public; the employee break room; and in common areas used by residents for dining, resident council meetings, or other activities.	Assembly Health
AB 719	Lowenthal	Support (State Update: 4/1/09)	Would require the California Department of Social Services to create the Transitional Food Stamps for Foster Youth Program by July 1, 2010. Under AB 719, foster youth who are not eligible for CalWORKs or Supplemental Security Income would be automatically eligible to a 12-month Transitional Food Stamp benefits when they leave foster care. These youth would be exempt from any quarterly or semi-annual reporting requirements and from the fingerprint requirement during the 12-month Transitional Food Stamp certification period. The Department of Public Social Services would be responsible for administering the program	Assembly Human Services

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responsible for administering the program.

SB 23	AJR 9	AB 1141	<u>BILL</u>
Padilla	Pérez	Calderon	AUTHOR
Support (Board Action: 3/24/09)	Support (State Update: 3/16/09)	Oppose (State Update: 3/31/09)	POSITION
Would require the operator of a mobile home park or manufactured housing community to develop and implement an emergency and fire safety plan, and provide appropriate emergency services training for park or community managers and on-site staff. The bill would also require the plan to be posted in manner accessible to all residents and to distribute copies to each resident upon approval of tenancy and annually thereafter.	Would urge the Congress and President of the United States to enact legislation that would provide for a three-year extension of the Ryan White HIV/AIDS Treatment Modernization Act of 2006, from its current sunset on September 30, 2009 to September 30, 2012.	Would make various changes to existing law regarding single use carryout bags, including: 1) extending the sunset date, which prohibits local governments from imposing a fee on paper and plastic carryout bags from 2013 to 2017; 2) prohibiting local governments from banning or restricting plastic and paper carryout bags; 3) redefining reusable bags to include lighter weight plastic carryout bags; and 4) requiring plastic bag manufacturers to pay a single use bag extended producer responsibility fee, in an undetermined amount, for each single use carryout bag it sells to a store.	SUBJECT
Senate Transportation and Housing	Assembly Desk	Assembly Natural Resources	STATUS

SB 29

Denham

Oppose (State Update: 2/27/09)

Would: 1) require the California Science Center to sell the parcel of land that the Los Angeles Memorial Coliseum and the Los Angeles Memorial Sports Arena (Sports Arena) occupy, and the State's share of the Sports Arena structure; 2) rescind the agreement that established the Los Angeles Memorial Coliseum Commission; and 3) upon the completion of the sale, terminate the Joint Powers Authority among the County, City of

Organization

Senate Governmental

Los Angeles, and the California Science Center.

SB 337	SB 179	SB 114	SB 113	SB 93
Alquist	Runner	Lic	Senate Local Gov Omnibus	Kehoe
Support (State Update: 3/6/09)	County-sponsored	Support (State Update: 3/27/09)	One County-sponsored provision included	Support (State Update: 3/16/09)
Would repeal current State law, which requires semi-annual reporting to maintain Medi-Cal eligibility for children and reinstitute 12-month continuous Medi-Cal eligibility for children under 19 years of age. This change is necessary to ensure that the State qualifies to receive the temporary increase in the Federal Medical Assistance Percentage (FMAP) pursuant to the recently enacted H.R. 1, the American Recovery and Reinvestment Act. AB 23, SBX3 26, and SB 337 have been introduced as potential vehicles to repeal the semi-annual reporting requirement in order for the State to be eligible to receive additional FMAP funding.	Would streamline the appeals process for Termination of Parental Rights and promote the placement of children in adoptive homes by: 1) reducing the time period for a birth parent to file an appeal from 60 days to 30 days when the Juvenile Court orders the Termination of Parental Rights; 2) modifying the current process of serving the Termination of Parental Rights to birth parents by allowing the notice of termination and appeal rights documents to be served directly to the birth parents if they are present in court when the order is made; and 3) allowing the Termination of Parental Rights order to automatically take effect 180 days after the order is issued.	Would create a simplified process to allow former foster youth to maintain Medi-Cal eligibility until age 21.	SB 113 is the Senate Local Government Omnibus bill, which contains one provision supported by the County: The provision would authorize a County Board of Supervisors to form a School Facilities Improvement District in an individual school district.	Would require that before a redevelopment agency can pay for public works either inside or outside a project area, the agency's legislative body must make new findings of blight in a project area to spend money on a public facility inside the project area and certify that the public facility would remove blight. SB 93 would strengthen the provisions of current redevelopment law by adding further restrictions to the manner in which a redevelopment agency can spend diverted taxes.
Senate Health	Senate Floor	Senate Appropriations	Senate Local Government	Senate Floor

BILL

AUTHOR

POSITION

SUBJECT

STATUS

SB 531	DeSaulnier	Oppose (State Update: 3/31/09)	Would make various changes to existing law regarding single use carryout Senate Environmental bags, including: 1) extending the sunset date, which prohibits local Quality governments from imposing a fee on paper and plastic carryout bags from 2013 to 2018; 2) prohibiting local governments from banning or restricting plastic and paper carryout bags; 3) requiring plastic bag manufacturers to pay the State one-tenth of one cent (\$0.001) for each plastic carryout bag supplied to large supermarkets with a minimum annual gross of \$2 million and retail stores with a minimum of 10,000 square feet with a pharmacy; and	Senate Environmental Quality
SBX3 24	SBX3 24 Alquist	Support (State Update: 3/18/09)	Would suspend existing State law, which requires semi-annual reporting to Chapter 24 of 2009 maintain Medi-Cal eligibility for children under 19 years of age and temporarily rejectate 12 month continuous clinibility. This chapter is	Chapter 24 of 2009

BILL

AUTHOR

POSITION

Would suspend existing State law, which requires semi-annual reporting to maintain Medi-Cal eligibility for children under 19 years of age and temporarily reinstate 12-month continuous eligibility. This change is necessary to ensure that the State receives funding from the temporary increase in the Federal Medical Assistance Percentage (FMAP) pursuant to the recently enacted H.R. 1, the American Recovery and Reinvestment Act. The FMAP increase is available until December 31, 2010. The suspension of the semi-annual reporting requirement would remain in effect until the Director of the California Department of Health Care Services declares that increased FMAP funds are no longer available. Upon the declaration, semi-annual reporting would resume until July 1, 2012, and the current sunset date to repeal this requirement would be extended from January 1, 2012 to January 1, 2013 unless a later statute is enacted to delete or extend that date.

Would repeal current State law, which requires semi-annual reporting to maintain Medi-Cal eligibility for children and reinstitute 12-month continuous Medi-Cal eligibility for children under 19 years of age. This change is necessary to ensure that the State qualifies to receive the temporary increase in the Federal Medical Assistance Percentage (FMAP) pursuant to the recently enacted H.R. 1, the American Recovery and Reinvestment Act. AB 23, SBX3 26, and SB 337 have been introduced as potential vehicles to repeal the semi-annual reporting requirement in order for the State to be eligible to receive additional FMAP funding.

Senate Rules

SBX3 26

Alquist

Support (State Update: 3/6/09)

Updated: April 2, 2009